



**North Carolina Department of Health and Human Services  
Division of Mental Health, Developmental Disabilities and Substance Abuse Services**

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Michael F. Easley, Governor  
Dempsey Benton, Secretary

Michael S. Lancaster, M.D. and  
Leza Wainwright, Directors

April 22, 2008

**MEMORANDUM**

**TO:** LME Directors

**FROM:** Leza Wainwright

A handwritten signature in blue ink, appearing to be "LW", written over the name "Leza Wainwright".

**RE:** LME Alternative Service Request for Use of DMHDDSAS State Funds

Attached please find the procedures and format to be used by LMEs to request the creation of a new, alternate service in the Integrated Payment and Reporting System (IPRS). This form has been developed in accordance with Session Law 2007-323, House Bill 1473, Section 10.49.(b) that directs that Local Management Entities (LMEs) "shall account for funds expended on a grant basis [i.e. non-UCR] according to procedures required by the Secretary and in a manner that is similar to funds expended in a purchase-for-service basis".

An LME that receives state single stream or other state non-UCR funding shall use such Division funding to purchase or provide services included in the IPRS service array and directed towards the approved IPRS target population(s). If an LME wishes to propose the use of state funds for the purchase or provision of an Alternative Service that is not included in the IPRS service array, the LME shall submit the [\*LME Alternative Service Request for Use of DMHDDSAS State Funds\*](#) for approval.

The enclosed form allows the LME to describe the proposed Alternative Service definition using the standard format and content categories that have been adopted for new MH/DD/SA services. The completed form should fully describe the proposed Alternative Service, including the consumers for whom the service is appropriate, providers that will be delivering the service, and reasons why the needs of the consumers to be served by the alternate service cannot be met through existing definitions. The alternate service is required to be approved by the Division in order to develop an IPRS reporting code and an appropriate rate for the proposed Alternative Service.

Please note that:

- an individual LME Alternative Service Request form is required to be completed for each proposed Alternative Service;
- a separate Request for Waiver is required to be submitted to the Division if the LME is requesting to be authorized by the Secretary to directly provide an approved Alternative Service; and



- all other reporting requirements apply to alternative services, such as CDW, NC TOPPS, etc.

Please submit a completed request form electronically to Wanda Mitchell, Budget and Finance Team, at [Wanda.Mitchell@ncmail.net](mailto:Wanda.Mitchell@ncmail.net) and to Spencer Clark, Chief's Office, Community Policy Management Section, at [Spencer.Clark@ncmail.net](mailto:Spencer.Clark@ncmail.net).

Enclosure

Cc:	Secretary Dempsey Benton	Dan Stewart	Executive Leadership Team
	Management Leadership Team	State Facility Directors	Yvonne Copeland
	Patrice Roesler	MH Commission Chair	The Coalition Chair
	SCFAC Chair	Sharnese Ransome	Andrea Poole
	Shawn Parker	Kaye Holder	Mark Van Sciver
	Brad Deen		

